

## HOW PKSF IS CONTRIBUTING TO HOUSEHOLD RESILIENCE AND ADAPTIVE CAPACITY THROUGH ITS MFI PARTNERS

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### PKSF - at a glance

- **PKSF, a unique platform for GO and NGO-MFIs collaboration**
- **Set up as a not-for-profit company in 1990 by the Government**
- **PKSF is an autonomous organization and accountable to its Governing and General Bodies**
- **Objective of PKSF is**
  - **To provide financial and non-financial services to the un-served people for creating employment as well as enhancing their socio-economic condition**
  - **To strengthen the institutional capacity of Partner Organizations (POs)**
  - **To undertake research activities directed towards poverty alleviation.**
  - **To establish strong advocacy for pro-poor policy.**



## PKSF - at a glance cont.

### Important Statistics (as on January 2015)

Number of Partner Organizations (POs)	273
Number of Branches	6968
<b>PKSF - PO Level:</b>	<i>Figures in million</i>
a. Loan Disbursed	USD 2635.04
b. Loan Outstanding	USD 480.62
<b>PO - Borrower Level:</b>	
a. Members Organized	11.11
b. Present Borrowers	8.39
c. Loan Disbursed	USD 24101.20
d. Loan Outstanding	USD 1493.26
e. Savings Outstanding	USD 568.52

## BANGLADESH: COUNTRY CONTEXT AND VULNERABILITY

### Recognized globally as most vulnerable to Climate Change

- Deltaic landscape, 80% floodplain, average height from the sea level between 1-5 meter
- Population density very high (1045/km<sup>2</sup>)
- High level of Poverty around 25%
- Disaster prone, people are exposed to hazards like flood, drought, cyclone, storm surge and salinity intrusion
- Natural resources based (predominantly agrarian) economy
- Due to sea level rise, it is predicted that around 30 million people would be displaced in the near future from the coastal areas
- Due to climate vulnerability and lack of livelihood support, internal migration already visible in the flood, saline and drought prone areas of Bangladesh.

**So Bangladesh needs extensive adaptive measures to survive and to sustain**

## CLIMATE CHANGE IMPACTS ON MFIS

**Microfinance institutions (MFIs) to adapt to the consequences of climate change. Climate change will impact MFIs in the following ways:**

- Due to multiple consequences of climate change, MFIs are likely to see an increase in default rates, and many MFIs will face repayment crises. They probably will face a run on savings and increased claims on existing insurance products.
- In addition, increased health care needs and mortality among clients could have both direct and indirect effects on MFIs.
- Climate change will decrease the productivity of agriculture (including livestock) and will make investment by MFIs in this sector less profitable. Evidence suggests that the repayment rate of these MFIs is highly correlated with crop production.
- In the future, climate change will create pressures on MFIs to forgive debt; such action has the potential to destroy the cherished culture of repayment that MFIs have painstakingly built over time.
- Climate change induced direct and indirect migration resulting in loan indebtedness and asset loss etc.

## CLIMATE CHANGE: NATIONAL INITIATIVES

- Cabinet adopted “Bangladesh Climate Change Strategy and Action Plan (BCCSAP), 2009
- It has 6 thematic pillars: Food security, social protection and health; Comprehensive disaster management; Infrastructure; Research and knowledge management; Mitigation and low carbon development; Capacity building
- Government established Climate Change Trust Fund (CCTF) in 2009; total allocated fund is 300 billion taka (400 million USD)
- The fund is administered by a governing body constituted by ministers, bureaucrats, academia and members from civil society
- The Government of Bangladesh (GoB) established a multi-donor trust fund called Bangladesh Climate Change Resilience Fund (BCCRF) in 2010
- Development partners (UK, EU, Sweden, USA, Australia, Switzerland and Denmark) contributed to this fund
- Both funds have two windows – a government window and an NGO window



## PKSF and Climate Change Adaptation

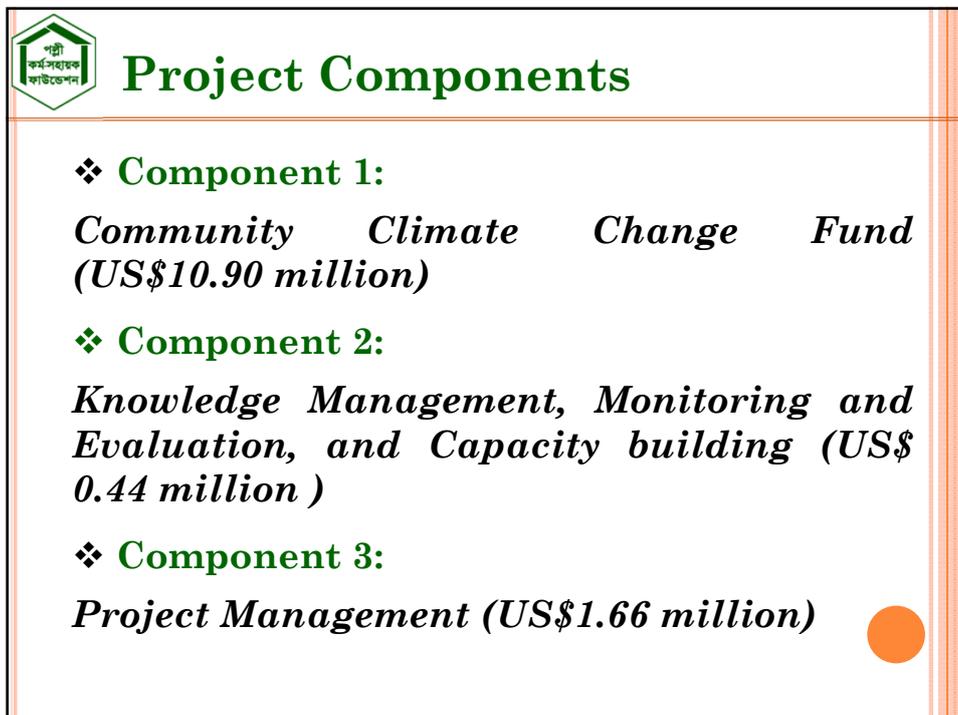
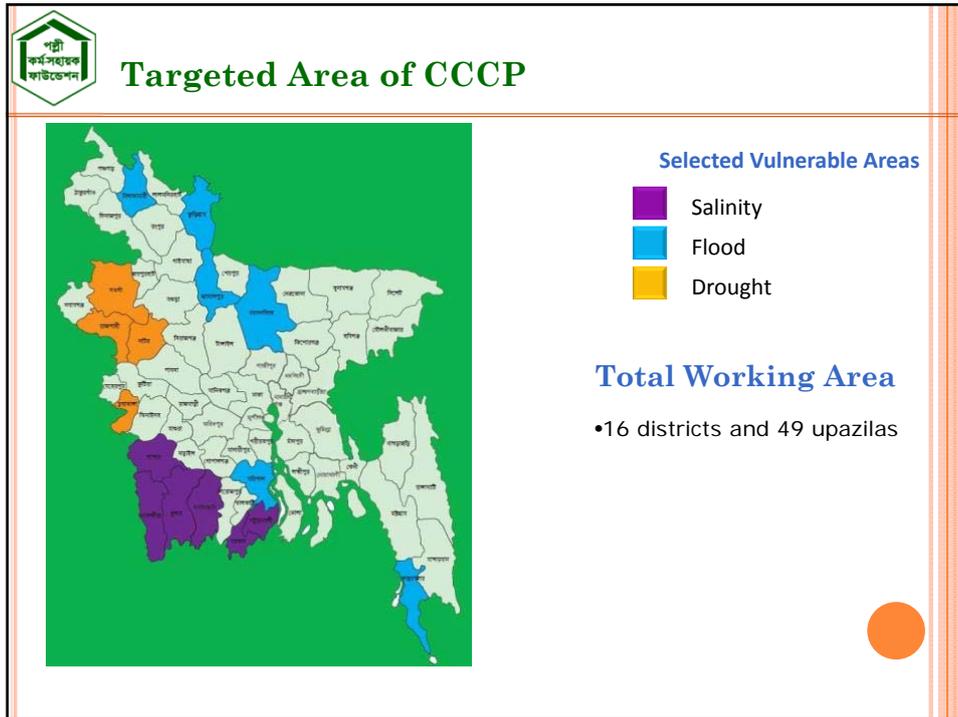
- Right now household resilience and climate change adaptation activities are carried out primarily through Community Climate Change Project (CCCP)
- Considering the climate change vulnerability and environmental degradation of Bangladesh, very recently PKSF governing body adopted the decision to create a new Climate Change and Environment Unit headed by a director
- This unit will be responsible to address all the issues of climate change and environment and will disseminate/mainstream the knowledge and capacity to the other units of PKSF as well as to the partner organization.



## PKSF and Climate Change Adaptation

- This unit will address all the climate change adaptation and mitigation issues holistically based on science and traditional knowledge
- PKSF already gathered some experiences on community-based climate change adaptation practices through its partners by different activities of different projects, including PRIME, ENRICH and particularly through CCCP
- PKSF is planning to incorporate climate proof and adaptive technology in all its activities through its climate change and environment unit.







## Guiding Manuals for CCCP

- ✓ Operational Manual (OM)
- ✓ Environmental Management Framework (EMF) (English & Bangla)
- ✓ Social Management Framework (SMF) (English & Bangla)
- ✓ Procurement Guideline
- ✓ Complaint Handling Mechanism
- ✓ Grievance Redress Mechanism
- ✓ Monitoring and Evaluation Manual
- ✓ Activity Implementation Guideline
- ✓ Knowledge Management & Capacity Building Strategy



## MAJOR SUB- PROJECT ACTIVITIES IN DIFFERENT VULNERABLE AREAS

Flood	Drought	Salinity
Homestead plinth raising	Re-excavation of traditional ponds in the water-scarce villages	Homestead plinth raising
Repair flood shelters and community link roads	Drought-resilient fodder cultivation	Pond re-excavation with PSF and connecting road repairing
Installation of tube-wells for safe drinking water in raised plinth	Installation of sanitary latrine for safe hygiene practice	Installation of tube-wells for safe drinking water in raised plinth
Installation of sanitary latrine for safe hygiene practice	Demonstration of drought tolerant cropping pattern (rice, wheat, mustard, etc.)	Installation of sanitary latrine for safe hygiene practice
Promotion of environment-friendly cooking stove	Promotion of environment-friendly cooking stove	Promotion of environment-friendly cooking stove
Slatted housing for goat and sheep (technical support & training)	Slatted housing for goat and sheep (technical support & training)	Slatted housing for goat and sheep (technical support & training)
Promotion of flood tolerant and short duration rice varieties (BRRI dhan 51, BRRI dhan 52, pariza, etc.)	Duck and poultry rearing in semi scavenging	Input supply to promote saline tolerant vegetable
Duck and poultry rearing in semi scavenging	Installation of semi-deep tube wells with platform for safe drinking water	Duck, crab and poultry rearing
Home stead gardening (basak, dyke cropping, vegetable)	Installation of deep tube well for Irrigation	Rain water harvesting system at household-level
Vermi compost	Home stead gardening (basak, vegetable)	Installation of deep tube-wells with platform for safe drinking water

## CONCLUSION AND RECOMMENDATION

- Climate change threatens future development, growth and poverty alleviation; however, it can also be an opportunity for employment generation both for adaptation and mitigation.
- MFIs have an extensive network at grassroots level, so there is an opportunity to explore the suitability of micro insurance for the agricultural sector. This will help to increase the resilience of climate vulnerable people and to reduce climate-induced migration.
- PKSF and its partner MFIs have the capacity to use funding for the climate change adaptation, mitigation and micro-insurance. However, there is constraint of funding both from the domestic side and the international side.
- MFIs are already involved at a limited scale with adaptation activities, such as introduction of new, resistant and improved crop varieties; adaptive cropping patterns; adaptive and resilient housing; and alternate income generating activities. MFIs could increase the volume and geographical scope of these types of activities.

## CONCLUSION AND RECOMMENDATION

- Develop a detailed disaster risk reduction and climate change adaptation plan in order to deal with various kinds of disasters, such as natural disasters and the major outbreak of diseases.
- Develop disaster risk reduction or climate change adaptation funds locally as well in the head office. In addition, get a credit line that can be accessed in the case of a liquidity crisis that depletes disaster funds.
- MFIs may need to reconfigure current products: loans, savings and insurance, to deal with climate change. Change the conditions of loans; introduce flexibility in savings products; and scale up the offering of health and livestock insurance.
- Awareness raising, capacity development, knowledge accumulation and sharing about suitable adaptation options will be the key to adaptation in the agricultural (including livestock and fisheries), housing, sanitation and water sectors.

## CONCLUSION AND RECOMMENDATION

- By utilizing their extensive networks, MFIs can contribute to the mitigation of climate change by helping to introduce and expand the use of renewable energy, such as improved cooking stoves, solar home systems, solar irrigation, solar lanterns, and biogas plants to meet the energy needs of the poor.
- MFIs can make adaptation action plans as part of their own adaptation strategies
- Proper guidelines are needed for alternate income generating support to avert negative impacts on traditional livelihood support.
- Work with government, research institute and civil society in the preparation of community-based adaptation strategy, options and actions
- Work with multilateral institutions and donors to develop concessional funding facilities for dealing with negative impacts of climate change.
- Take advantage of the market for carbon offsets and clean development mechanisms and use the revenue to make renewable energy affordable.

*Thank You*



# FIELD LEVEL PROGRESS





## FIELD LEVEL PROGRESS CONT.

### Resilient Homestead: plinth raise



Homestead Plinth Raising Activity



Homestead Plinth Raised at Bazra, Ulipur,  
Kurigram



 **FIELD LEVEL PROGRESS CONT.**

**Adaptation to last flood (2014) by raising plinths**

		
Flood affected people 2014	Flood free raised plinth built by RDRS	Flood free raised plinth built by SKS in Ulipur
		
Flood free goat house built by SKS in Julipur	Flood free raised plinth built by RDRS	Flood free raised plinth built by SKS in Ulipur

 **FIELD LEVEL PROGRESS CONT.**

**Deep-set Tube-well for safe drinking water**

	
Tube well installed in drought area	Tube well installed by NDP in drought prone Natore district

 **FIELD LEVEL PROGRESS CONT.**

**Surface water irrigation:  
Pond/ Channel Re-excavation**



Channel re-excavated by NSS in Amtoli  
(a saline prone area)



 **FIELD LEVEL PROGRESS CONT.**

**Saline tolerant aquaculture: Crab fattening**

  
Crab fattening by SUS  
in saline area

  
Crab fattening by JJS in  
saline area

  
Sustainable Crab fattening by NGF in  
saline area



 **FIELD LEVEL PROGRESS CONT.**

**Adaptation for human health and low carbon emission: Improved Cooking Stove**



ICS by DDJ in saline prone area



SHS by RDRS

**Adaptation for education and low carbon emission: Solar Panel**



 **FIELD LEVEL PROGRESS CONT.**

**Alternative income generation: Improve management of poultry by semi scavenging methods**



Model of shade provided by ADAMS in flood-prone area



Model of shade provided by NSS in saline area

**Alternative income generation: Hen rearing by semi scavenging method**



 **FIELD LEVEL PROGRESS CONT.**

**Alternative income generation: Improved housing for Goat/Sheep rearing**

  
Model of shade provided by Ashrai in drought prone area

  
Model of shade provided by NDP in drought area

  
Model of shade provided by JSKS in flood-prone area

 **FIELD LEVEL PROGRESS CONT.**

**Improve soil health: Vermi-Compost**

  
Model provided by Wave Found in drought-prone area

  
Model provided by Ashrai in drought-prone area

**Adaptation in fisheries sector: Cage Fish Culture**

  
Model provided by ADAMS flood-prone area



## FIELD LEVEL PROGRESS CONT.

### Resilient cropping pattern: Some agricultural interventions



**Fodder cultivation (Napier) by Wave in drought-prone area**



**Demonstration of drought tolerant rice (BRRI-28) varieties by Ashrai**



**Home gardening (sweet gourd) by SUS in saline-prone area**



**Demonstration of drought tolerant mustard (BARI-15) varieties by Ashrai**



**Home gardening by Gunny Bag by NGF in saline-prone area**



**Demonstration plot (BARI-MUNG-6) by NSS in saline-prone area**



**Homestead Plinth Raise - community consultation**



**Homestead Plinth Raise - measuring before payment**



**Homestead Plinth Raise - activity ongoing by SKS- Ulipur**



**Homestead Plinth Raised at Chilmari by RDRS**



Pond re-excavation in drought-prone area



Pond re-excavation with concrete stairs in drought prone area by NDP



Demonstration plot – Drought-free Mustard (BARI 15)



Demonstration plot – Drought-free Wheat (BARI 24-Pradip)



## FIELD LEVEL PROGRESS CONT.

### Adaptation in water and sanitation: Community latrine and pond sand filter



Community latrine under construction by SANGRAM in saline area



Construction of Pond Sand Filter (PSF) by DDI, an alternative solution for saline water





## FIELD LEVEL PROGRESS CONT.

### Adaptation in water and sanitation: Household latrine and rain water preservation system



Sustainable sanitary latrine installed by ESDO in drought area



Sustainable sanitary latrine installed by DDJ in saline-prone area



Rain water harvesting (RWH) by SUS in saline-prone area



PKSF MD Mr. Md. Abdul Karim inaugurates a Training on Accounts, Finance & Procurement



Learning Sharing Workshop



Training on Implementation Arrangements of Sub-projects

## FIELD VISITS



Field visit by Deputy Managing Director, PKSF



Field visit by WB team during support mission accompanied by PC of CCCP



Field testing of the baseline questionnaire and monitoring visit



Community Consultation by Deputy Project Coordinator